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Daily Report – Romania

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STOCK EXCHANGE

	Close	Daily chg. (%)	Weekly chg. (%)
BET	7,101.95	↑ 0.39	↑ 1.32
BETPlus	1,045.98	↑ 0.35	↑ 1.24
BET-FI	30,175.91	↓ -0.77	↓ -0.42
BET-XT	643.37	↑ 0.38	↑ 1.23
SNG	35.1800	↑ 0.37	↑ 2.87
EL	12.4000	↓ -0.40	↑ 0.81
TEL	28.0000	↓ -1.16	↓ -4.11
TLV	2.1990	↑ 4.22	↑ 7.79
SNP	0.3600	→ 0.00	↓ -0.83

GOV'T BOND MARKET

Maturity	Yield (%)	Daily chg. (bp)	Weekly chg. (bp)
6 month	1.47	↑ 0.5	↑ 4.5
12 month	1.60	→ 0.0	↑ 1.5
3 year	2.09	↑ 1.5	↓ -0.5
5 year	2.34	↑ 0.5	↑ 2.0
10 year	3.27	↑ 3.0	↑ 3.0

GOV'T BOND AUCTIONS

	Maturity	Auctions	Sold
Thursday	3Y	RON 400 mn	RON 400 mn

MONEY MARKET

	Rate (%)	Daily chg (bp)	Weekly chg (bp)
ON ROBOR	2.35	→ 0.0	↑ 33.0
3M ROBOR	1.48	↑ 1.0	↑ 8.0
6M ROBOR	1.69	→ 0.0	↑ 6.0
1Y ROBOR	1.70	↓ -1.0	↑ 3.0
5Y CDS	96.32	→ 0.0	→ 0.0

FX MARKET

	Rate	Daily chg. (%)	Weekly chg. (%)
EUR/RON	4.4180	↓ -0.01	↓ -0.29
USD/RON	4.0589	↓ -1.10	↓ -0.29
CHF/RON	4.2316	↓ -0.31	↑ 0.09
100HUF/RON	1.4725	↓ -0.42	↓ -0.37

Source: Reuters, OTP Research

Summary

- The RON remained stable compared to the EUR yesterday, while the PLN and the HUF weakened somewhat. Ahead of today's US payroll report, the dollar lost ground for the second session against the common European currency.
- At yesterday's auction, the Treasury successfully sold the planned RON 400 mn in 2.8Y bonds on 2.11% average yield. The demand was healthy; the bid-to-cover ratio stood at 3.4.
- In February, the retail trade turnover index slipped 1.4% MoM, but it increased 3.3% in yearly comparison.
- Romania's equity markets ended higher on Thursday with one exception: the BET-FI lost around 0.8%. The majority of European and US equity markets are closed for Good Friday.

The RON remained practically flat yesterday, while the PLN and the HUF weakened somewhat compared to the common European currency. On the other hand, the RON could strengthen significantly against the dollar, after it fell for the second day versus the EUR, as investors were cautious ahead of the US non-farm payroll report, which will see the light of the day today.

Healthy demand characterized yesterday's bond auction, after commercial banks subscribed for RON 1.36 bn. As a result, the bid-to-cover ratio stood at 3.4, while the average yield was at 2.11%, similarly to the previous auction in the middle of March (2.08%). Government securities' fixing rates climbed 1-3 bps higher on Thursday with the exception of the 12M maturity, which remained unchanged.

In February, retail sales dropped 1.4% MoM (seasonally and working day adjusted), after it was dragged down by the sales of food (-0.6%) and non-food products (-2.9%), while fuels remained on an upward trend (+1.5%). On YoY basis, retail sales increased by 3.3% (gross data).

Most of the BVB indices closed in the green zone yesterday, registering gains between 0.2% and 0.5%, while the BET-FI finished in the negative territory, losing almost 0.8%. The shares of Banca Transilvania showed the best performance among the individual components of the BET index, advancing 4.2%. In the CEE region, the Hungarian BUX rallied almost 1.8%, but the PX and the WIG20 also inched up (0.5% and 0.3% respectively).

Europa's main equity indices were relatively calm yesterday, ending the day mixed, while in the USA, the main benchmarks climbed slightly higher. The majority of European and US equity markets will be closed for Good Friday.

Date	PERIOD	INDICATOR	FACT	CONSENSUS	PREVIOUS
31-Mar	Tuesday	April	Base rate decision (%)	2.00	2.25
31-Mar		February	ILO unemployment rate (% , seasonally adjusted)	6.4	6.5
1-Apr	Wednesday	March	FX Reserves, EUR bn	30.6	30.5
2-Apr	Thursday	February	Producer Price Index (YoY%)	-1.7	-2.1
3-Apr	Friday	February	Retail trade turnover index (YoY%)	3.3	6.3
6-Apr	Monday	February	Net wage growth rate (YoY%)		7.1

Source: NIS, NBR, Reuters, OTP Research

OTP AM – Open-End Funds		1-Apr-15					
Open-end fund	ccy	last NAV/U	1d%	Ytd%	52W%		
OTP AvantisRO	RON	8.0374	↑ 0.28	↑ 0.45	↑ 8.16		
OTP Obligatiuni	RON	13.8806	↑ 0.01	↑ 0.72	↑ 5.02		
OTP ComodisRO	RON	16.6722	↑ 0.00	↑ 1.03	↑ 4.60		
OTP Euro Bond	EUR	12.0963	↑ 0.01	↑ 0.61	↑ 3.27		
OTP Dollar Bond	USD	10.3577	↑ 0.00	↑ 0.35	↑ 3.17		

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